

GREGORY S. BELL
Lieutenant Governor

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 6, 2012

Gary Gillespie Century Gold Mining and Milling Co. Inc. 1475 Cannonwood Place Murray, Utah 84123

Subject: Deficient Amended Notice of Intention to Commence Small Mining Operations,

Century Gold Mining and Milling Company, Inc., Century Mine, S/003/0077, Box

Elder County, Utah

Dear Mr. Gillespie:

The Division of Oil, Gas and Mining has reviewed the referenced amendment to your Notice of Intention to Commence Small Mining Operations (NOI) received February 27, 2012. The following items will need to be addressed before the NOI can be determined complete:

1. Please provide a revised map showing the location of the new road, pond, and portal area (preferably one map to show your entire current and proposed operations)

2. Please provide additional reclamation surety. Currently the Division holds a surety in the amount of \$11,400. As noted in the worksheet below, the Division will need either \$17,300 (an increase of \$5,900) or \$18,000 (an increase of \$6,600), depending whether you want to use a 3-year or a 5- year escalation.

Small Mine Operation Bond Calculation Worksheet			
Century Mine S/003/0077			Calculated 3/2/2012
3-year escalation (2015)			3/2/2012
		Unit	
Item	Qty	Cost	<b>Total Cost</b>
1st Acre Disturbance	1	\$7,900.00	\$7,900.00
Add'l Acres Disturbance	2	\$4,700.00	\$9,400.00
TOTAL			\$17,300.00
5-year escalation (2017)		Unit	
Item	Qty	Cost	<b>Total Cost</b>
1st Acre Disturbance	1	\$8,200.00	\$8,200.00
Add'l Acres Disturbance	2	\$4,900.00	\$9,800.00
TOTAL			\$18,000.00



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Please provide the revised map and the increase in reclamation surety by April 6, 2012. Contact Penny Berry at 801-538-5291 or email at <a href="mailto:bondcoordinator@utah.gov">bondcoordinator@utah.gov</a> for assistance and forms for the reclamation surety increase.

Please call me at 801-538-5261 or Lynn Kunzler at 801-538-5310 if you have any questions about this letter. In reply, <u>please refer to file number S/003/0077</u>. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: Lk: eb